

**INITIAL STATEMENT OF REASONS (ISOR)  
ADDENDUM**

Further Statement as to the Necessity and Purpose of Proposed Rule Adoptions, Amendment and/or Repeal

**ISOR page 17 concerning Subsection 1896.73(f)(2)—second sub-bullet:** The word “consistency” is replaced with “consistently,” to rectify an inadvertent drafting error. The following augments the original explanation that new content is required because needed information has not been consistently received due to existing rule “insufficiency.” “Over the course of time, OSDS has found that critical information regarding both the firm being substituted and the proposed replacement firm has not been included in the substitution request. Accordingly, necessity dictates refinement in the existing rule in order to ensure that vital details are provided. These details include the names and certification numbers of the firms in question, as well as information specific to the contract at issue, the justifications for substitution and, if applicable, the date of any written objection to substitution. As newly amended this rule now guarantees that the information OSDS needs in order to ensure the integrity of the contracting process is forthcoming from those directly involved and accordingly, an existing rule insufficiency has been rectified.”

**ISOR pages 18 and 19 concerning Subsection 1896.75(a)** is augmented with the addition of a new sentence: “This rule, both in the original and as amended, is a regulatory restatement of the declaration requirements already set forth in the cited Military and Veterans Code subdivisions, therefore the provisions are considered APA non-substantive.”

**ISOR page 20:** The following first sentence third bullet ISOR **1896.81(a)** content is replaced, augmented and spelling error corrected, as indicated. “The statutory basis of “service-connected disability” mentioned in existing subdivision (a)(1) of this rule indirectly relates to Federal Code. The particular title and section of U.S. Code pertaining to service-connected disability currently appears in CCR only within existing subdivision (ee) of 1896.62, a definition being repealed. Therefore, relocation of this citation to the reference notes for 1896.81 is necessary in order to preserve this key statutory authority in the DVBE rules. Basically this represents a selective repositioning of existing rule content.” A new sentence is added, as follows: “This particular code is the standard definition for service disability under the law, and no equivalency exists in California statute.” Title 1, CCR 14(b), (c) and (d) obligates the inclusion of any federal statute relied upon in state rulemaking in the “authority” and “reference” notes at the end of each relevant section.”

**ISOR page 23 concerning 1896.81(d)** is augmented with the addition of a new sentence: “The text being adopted in this rule parallels Small Business rule **1896.12(d)(3)**, as the APA consistency rule requires. Since the content is derived directly from a Code of Federal Regulations (CFR) definition, and no similar definition exists in California statute or regulation, the referenced CFR in question will be included in the notes for this section. Title 1, CCR 14(b), (c) and (d) obligates the inclusion of any federal regulation relied upon in state rulemaking in the “authority” and “reference” notes at the end of each relevant section.”

**ISOR page 28 concerning 1896.84(e)** is augmented with the addition of a new sentence: “Because documentation issues have arisen in the past, the additional specificity of a “written” withdrawal has been added.”